



DFAS Systems Integration Planning:

***DFAS Financial Systems Strategic Plan (DFSSP)
DFAS Systems Integration and Implementation
(SIIP)***



Foundation for the Future

March 14, 2000

Outline

- **DFAS Financial Systems Strategic Plan (DFSSP) Overview**
 - Introduction
 - Migration to the Current Environment
 - Objective Environment
 - Systems Migration Concept
 - Systems Migration Strategies
- **DFAS Systems Integration and Implementation Plan (SIIP) Overview**
 - Introduction
 - Focus
 - Systems Consolidation and Migration
 - Systems Interface Definition
 - Systems Reengineering to the Objective Environment

The Strategic Plan's Purpose

- **Establish a common DoD vision of the objective FFMR compliant environment for DoD Finance and Accounting (F&A) systems**
- **Describe the Agency's strategic plan for evolving DoD F&A systems to the objective environment**
- **Build upon the top-level strategic direction for F&A formulated at the DFAS, DoD, and Federal levels of the US Government enterprise**
- **Implement the spirit of the 90's legislation (e.g., CFO Act, GPRA, ITMRA) by capturing the results of DoD F&A systems strategic planning**
- **Define a specific set of strategies and supporting near, mid, and long-term objectives that provide a basis for linking DoD F&A systems strategic direction to DoD F&A systems initiatives**
- **Depict the evolution of the target environment as well as the evolution of DoD F&A systems into the target environment**
- **Provide a mechanism that can be used to assess the progress toward achieving DoD F&A strategic objectives**

The Strategic Plan's Scope

- **The strategic direction contained in the plan addresses:**
 - The enterprise, DFAS Corporate Information Infrastructure (DCII)
 - Objective systems environment (e.g., DCD, DCW, F&A applications)
 - DFAS migration systems
 - DFAS Legacy Systems and other DoD system that are planned for consolidation into DFAS migration systems
 - Designated feeder systems that have critical interfaces with DFAS systems
- **The plan addresses the 10 year time period from FY99 to FY08**
 - Near Term (2 years)
 - Mid-Term (2 to 6 years)
 - Long-Term (6 to 10 years)

The Strategic Plan

Establish
Context

Section

Introducti
on

Present the
Reality of
Today's Systems
and How We got
here

Section

Migration
To
The
Current
Environme
nt

Establish Target
for Defense
Financial
Systems

Section

Objective
Environm
ent

Outline
Migration of
Defense
Financial
Systems

Section

Systems
Migration
Concept

Establishes
Strategies and
related objectives
that provide a
basis for project
and operations
planning

Section

Systems
Migration
Strategies

Legislation and DoD

Initiatives Driving Requirements

Government

Management Reform Act of 1994

- Audited financial statements
- Consistent financial reporting principles, standards, and requirements
- Simplify financial management reports

Government Performance and Results Act of 1993

- Federal Agencies are accountable for achieving program results
- Focus on results, service quality, and customer satisfaction
- 5-year Strategic Plan
- Annual Performance Plans
- Annual Program Performance Reports

Chief Financial Officers Act of 1990

- Establishes Chief Financial Officer
- More effective general and financial management practices
- Strengthen internal controls
- Improved financial information
- Government-wide financial management policy
- Systematic measurement of performance
- Annual financial statements

National Defense Authorization Act of 1990

- After five years, a fixed appropriation account shall be canceled
- Eliminates "M" appropriations
- Revealed a long-standing

DoD Appropriations Act of 1995

- Obligation must be validated prior to disbursing funds for any single expenditure in excess of \$5 million

Paperwork Reduction Act of 1995

- Minimize paperwork burden for individuals
- Uniform Federal information resource management policies and practices

Federal Financial

Management

Improvement Act of 1996

- Provides for the establishment of uniform accounting systems, accounting standards, and accounting reporting systems

Information Technology Management Reform Act of 1996

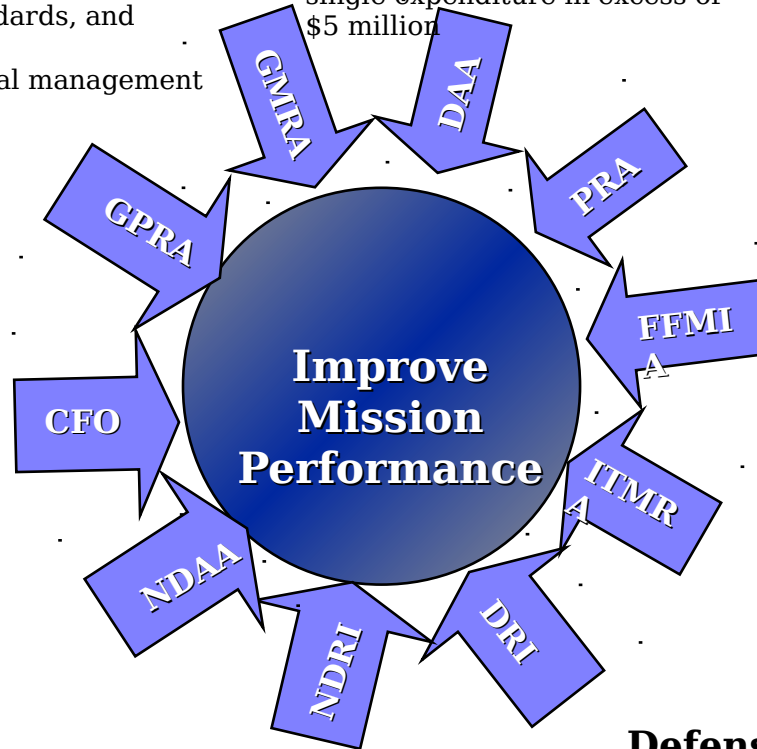
- Establishes Chief Information Officer
- Better planning and management of IT
- Analyze, track, and evaluate the risks/benefits associated with IT investments
- Annual report on net program performance benefits relative to Agency goals
- Performance-based and results-based management of information systems
- Establish IT performance measures

Defense Reform Initiative of 1997

- Develop, maintain, and facilitate the implementation of a sound and integrated IT architecture
- Standard IT policy
- Establishes Defense Management Council (DMC)
- DMC negotiates performance contracts with heads of Defense Agencies
- DMC monitors progress of business practice changes and A-76 competitive evaluations
- Examines opportunities for consolidations
- Consults with business leaders to seek new

National Defense Reform Initiative of 1998

- Requires DoD to create a Biennial Financial Management Improvement Plan addressing all aspects of DoD financial management and a concept of operations on how DoD intends to manage its financial operations



Magnitude of Current Operations

Finance (Monthly totals)

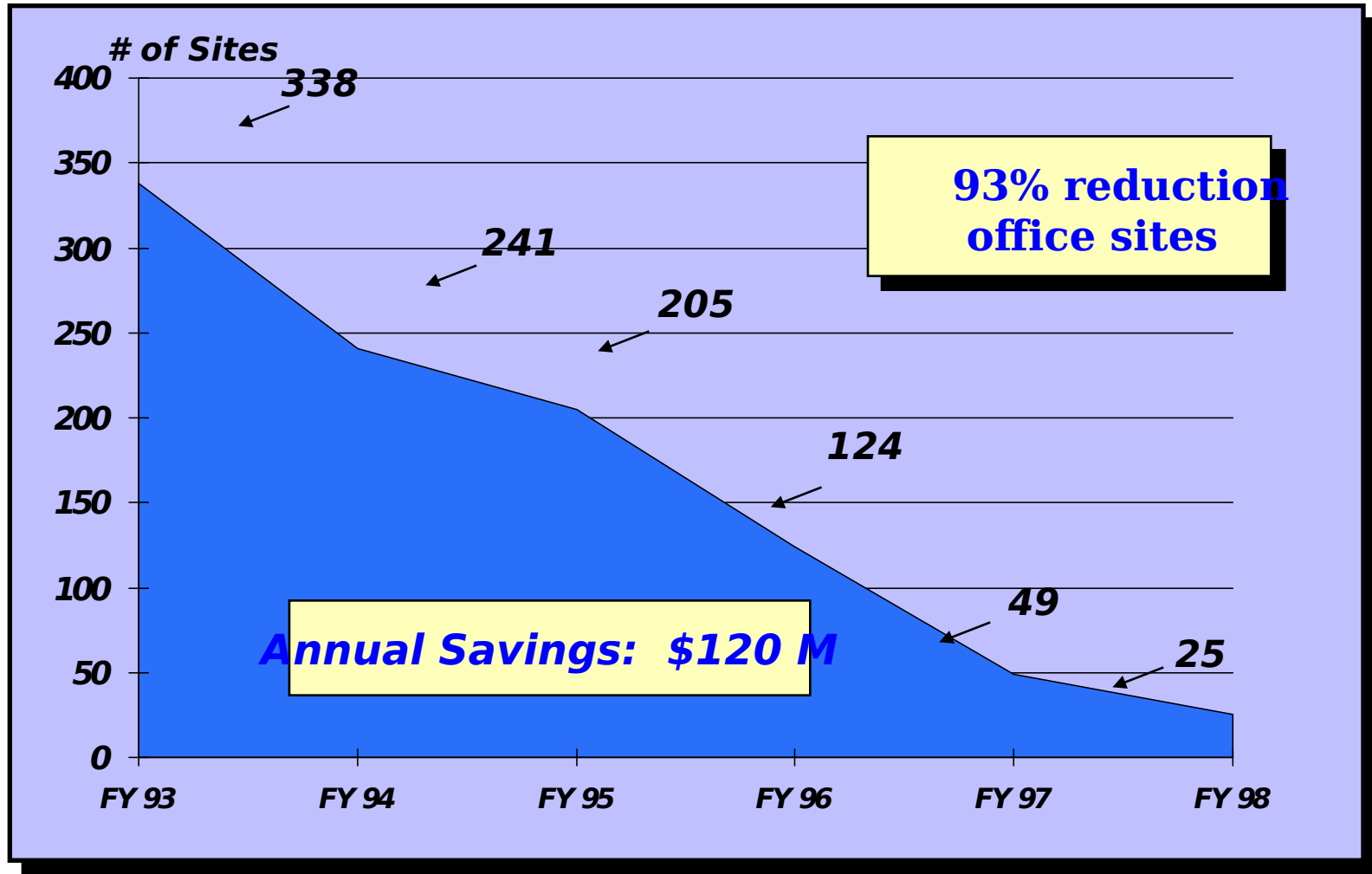
- \$24B disbursements
 - \$13B contract/vendor payments
 - \$11B personnel payments
- \$3.35B intergovernmental payments
- 1.2M invoices
- 500K savings bonds
- 600K travel payments
- 122K transportation bills
- 11K garnishments
- 2.6K military retiree death cases

Accounting (Annual totals)

- 156 active DoD appropriations
- 1,050 program years
- 226 Treasury accounts
- 100M accounting transactions
- \$162B Investment Manager-Retirement Trust Fund
- \$222B in Foreign Military Sales Trust Fund

World's Largest Finance and Accounting Operation!

Operations Consolidation

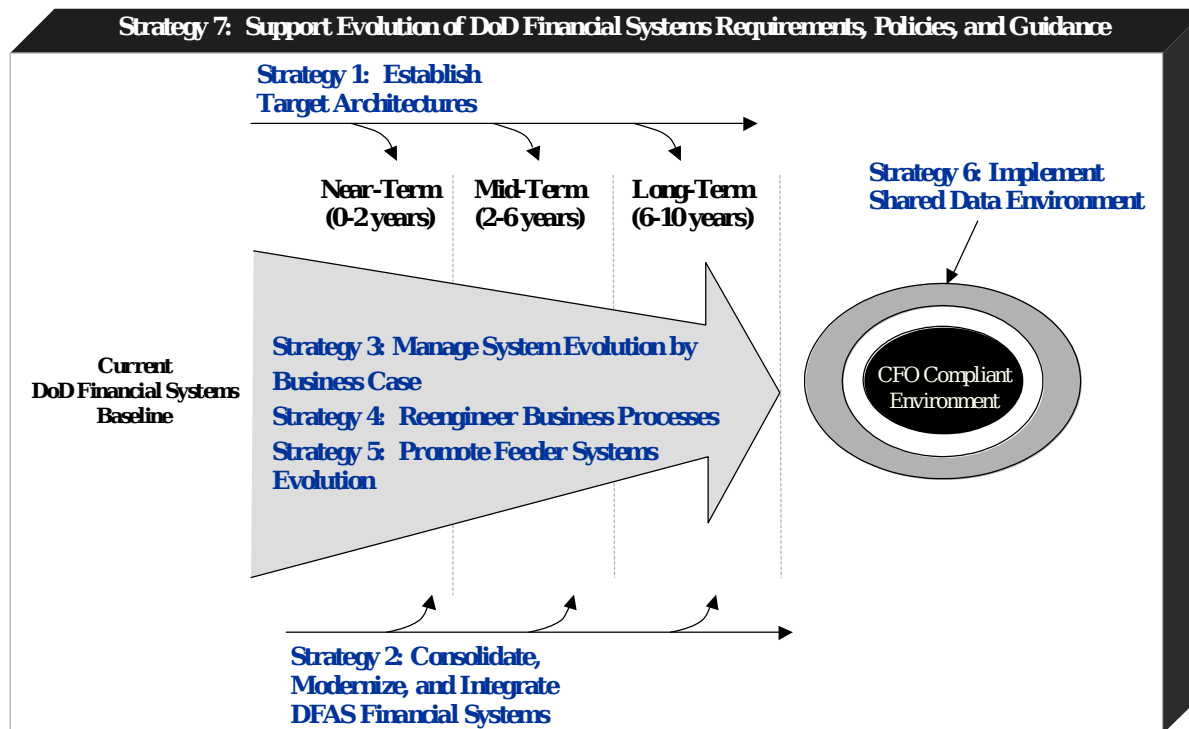


Systems Consolidation

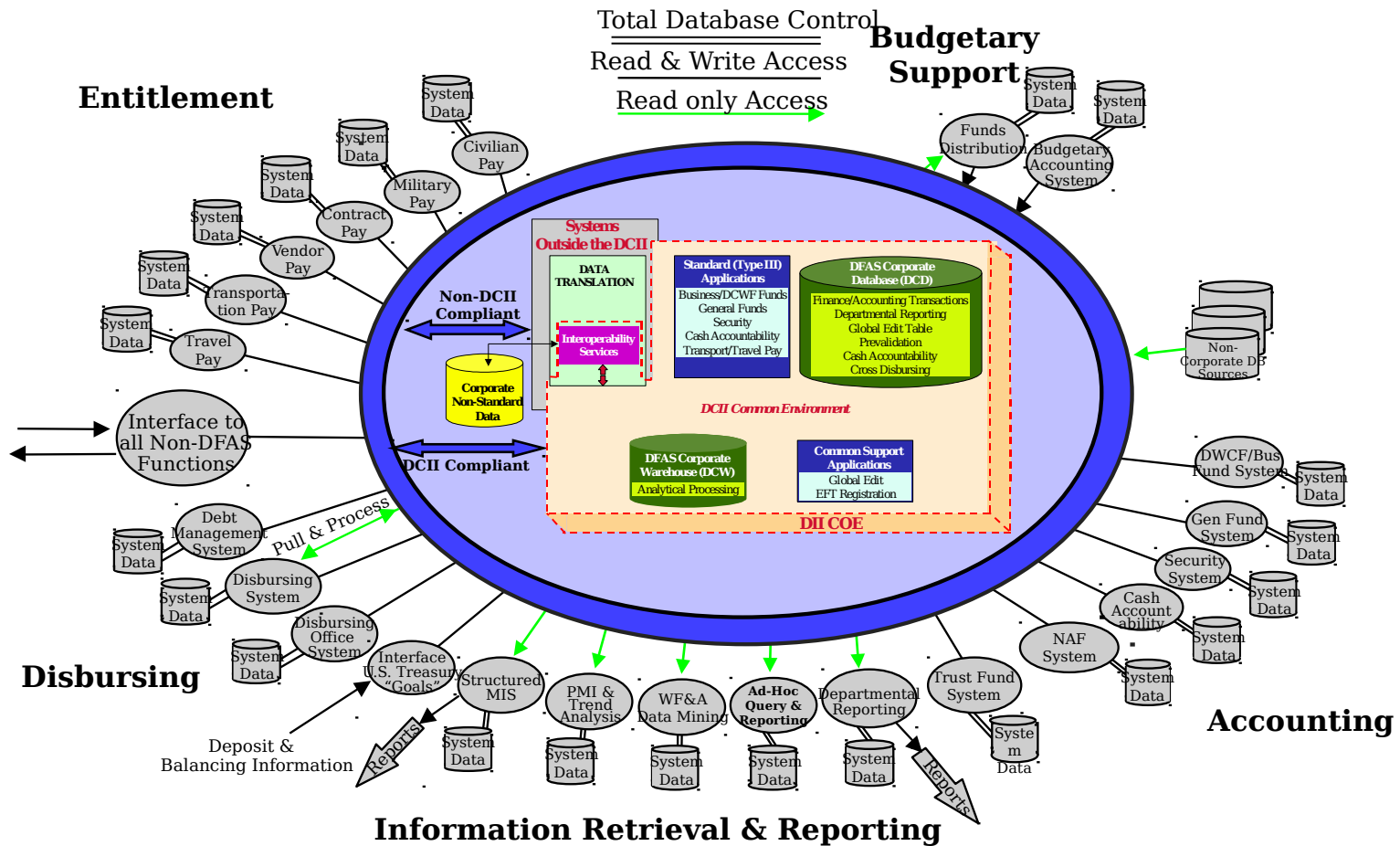
	FY91	FY93	FY95	FY97	FY99	FY01	FY03	<u>Target</u> FY05
Accounting	197	176	164	122	79	61	28	22
Finance	127	102	192	34	15	14	9	8
Total	324	278	256	156	94	75	37	30
Reduction (Cumulative)		46	68	168	230	249	287	294
Percent Reduction (Cumulative)		14%	21%	52%	71%	77%	89%	91%

Migration Strategy Introduction

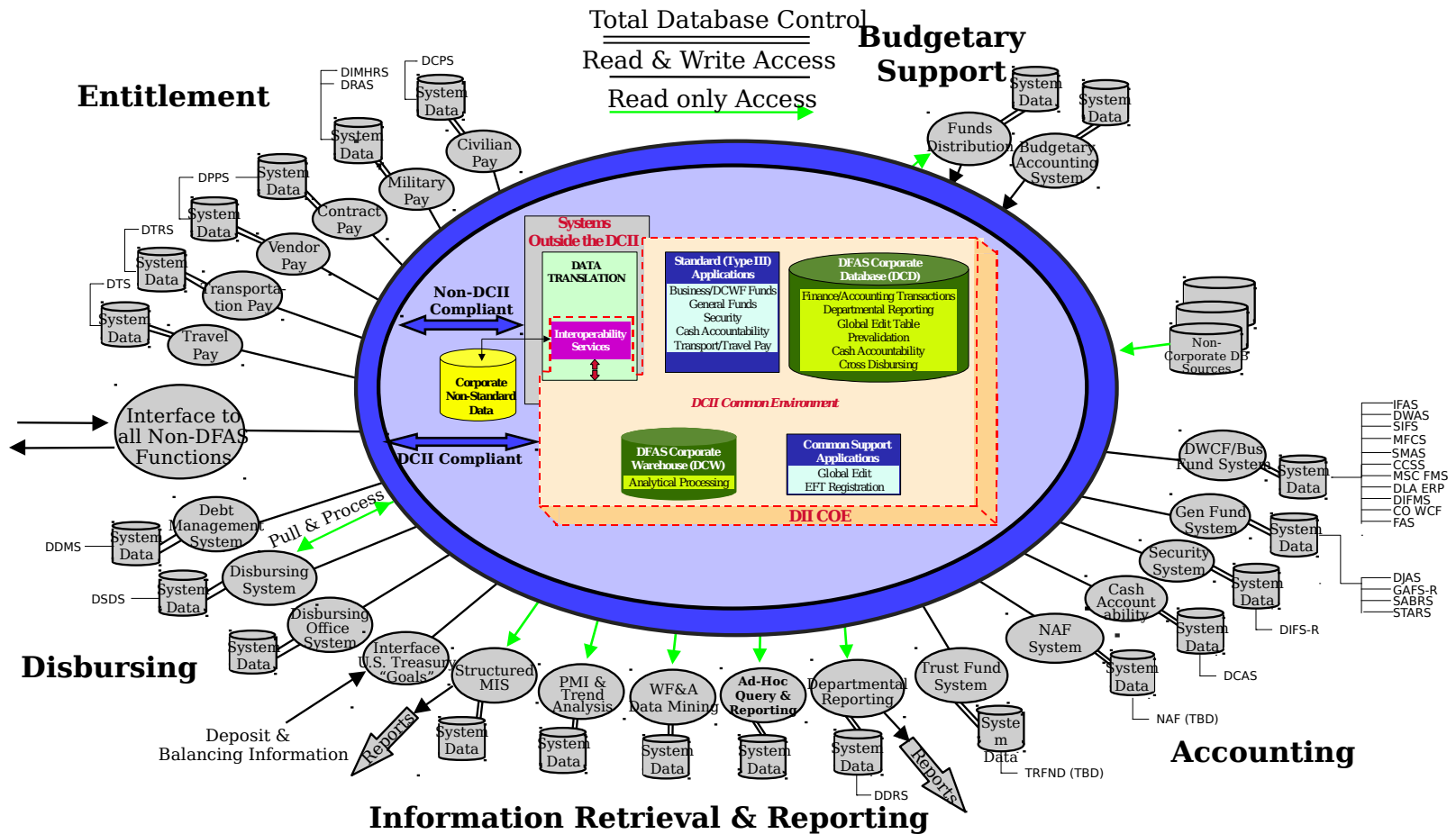
- **This plan addresses the 10 year timeframe from FY99 to FY08**
 - Near Term (2 years)
 - Mid-Term (2 to 6 years)
 - Long-Term (6 to 10 years)
- **Within each timeframe (e.g., near term, mid-term), specific strategies and objectives described in Section 5 identify quantifiable achievement thresholds**



Mid Term Migration (FY01 - FY04)



Long Term Migration (FY05 - FY08)



The SIIP's Purpose

- **Identify direction and track actions to implement the objective environment of the DFAS Financial Systems Strategic Plan.**
- **The objective environment will share information and form the single, unified, standard, FFMIA-compliant environment, known as the DFAS Corporate Information Infrastructure (DCII). Major components are:**
 - **DFAS Corporate Database (DCD)**
 - **DFAS Corporate Warehouse (DCW)**
 - **DFAS Corporate Repository (DCR)**
 - **DCII-compliant F&A applications.**

The SIIP's Scope

The strategic direction contained in this plan addresses:

- **Establishment and evolution of the objective environment to include the DCII;**
- **Consolidation of legacy systems and reengineering/integration of DFAS F&A systems into the objective environment; and**
- **Migration of feeder systems (i.e., non-DFAS mixed systems) that interface with DFAS F&A systems to enable the accomplishment of the DoD financial services mission.**

The SIIP's Focus

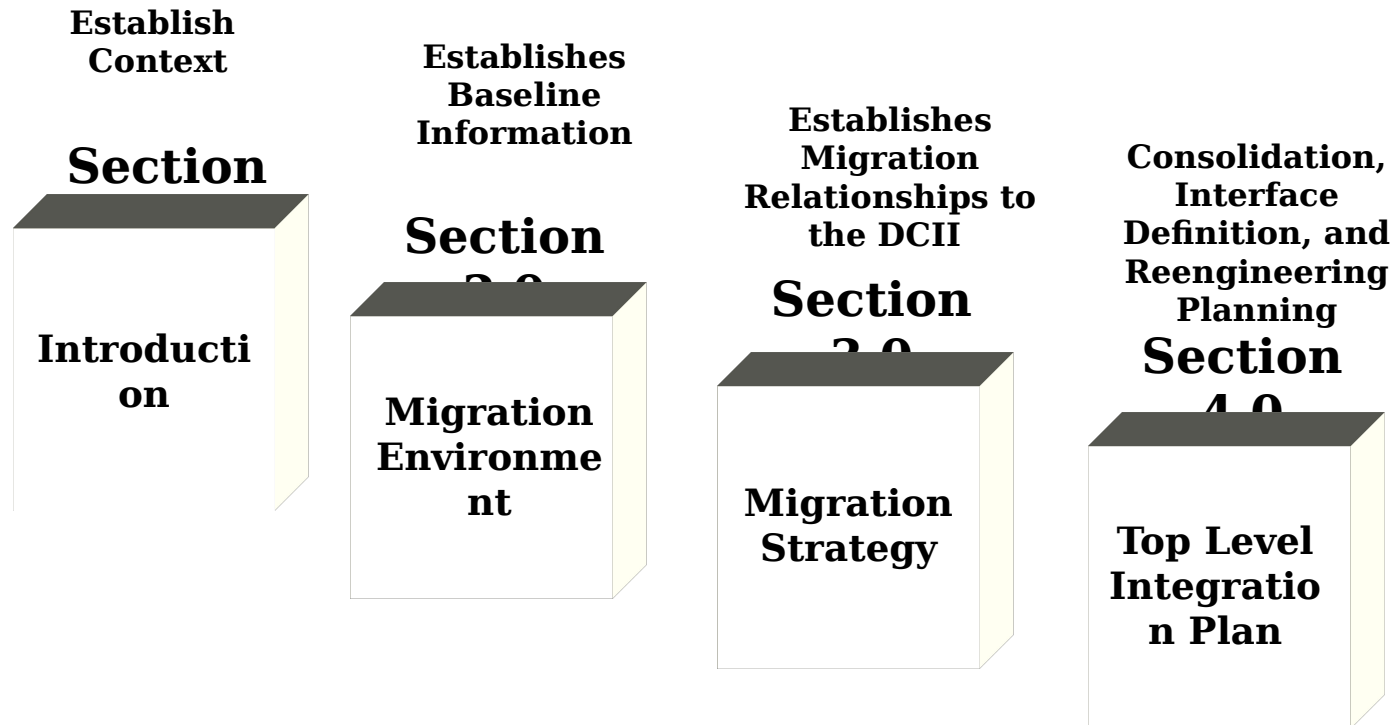
Develop the SIIP in two phases:

- **Establish the top-level plans,**
- **Drill down to lower levels of details**

Integration planning includes:

- **Establishment of baseline legacy systems and target Migratory systems;**
- **Definition of the functionality and integration of Migratory systems**
- **Identification and scheduling of implementation activities**

The SIIP



The SIIP's Focus -- Systems Consolidation

**Establishment of
baselines:**

Core F&A Functions	Mission Support Areas (MSA)	Current Baseline Legacy Environment ¹		Migratory Systems ²		Objective Environment	
Entitlement Function	Military Pay	L1	DJMS AC/RC	M1	DIMHRS	1	DIMHRS
		L2	MCTFS				
	Travel Pay	L3	IATS	M2	DTS.DOC	2	Travel Pay System
			DFAS-OW				
	Retirement Pay		ALLOT	M3	DRAS	3	Retirement Pay System
	Transportation Pay		TSS	M4	DTRS.DOC	4	Trans. Pay System
	Contractor/Vendor Pay	L4	MOCAS	M5	DPPS.DOC	5	Contr./Vend. Pay System
		L5	AVEDS				
			SAVES				
		L6	IAPS				
		L51	DISMS				
		L54	SAMMS				
		L7	CAPS				
			STARS (ONE PAY)				
			GTS				
	Civilian Pay			M6	DCPS.DOC	6	Civilian Pay System
Disbursing Function	Disbursing	L8	ADS	M7	DSDS.DOC	7	Disbursing System
		L9	IPC				
		L10	SRD-1				
			DRO				
			DCRM				
			DOPS				
		L11	SNIPS				
			CRISPS				
			RECERT				
			BEBS				
	Debt Management			M8	DDMS	8	Debt Mgmt System

Functionality of Migratory systems

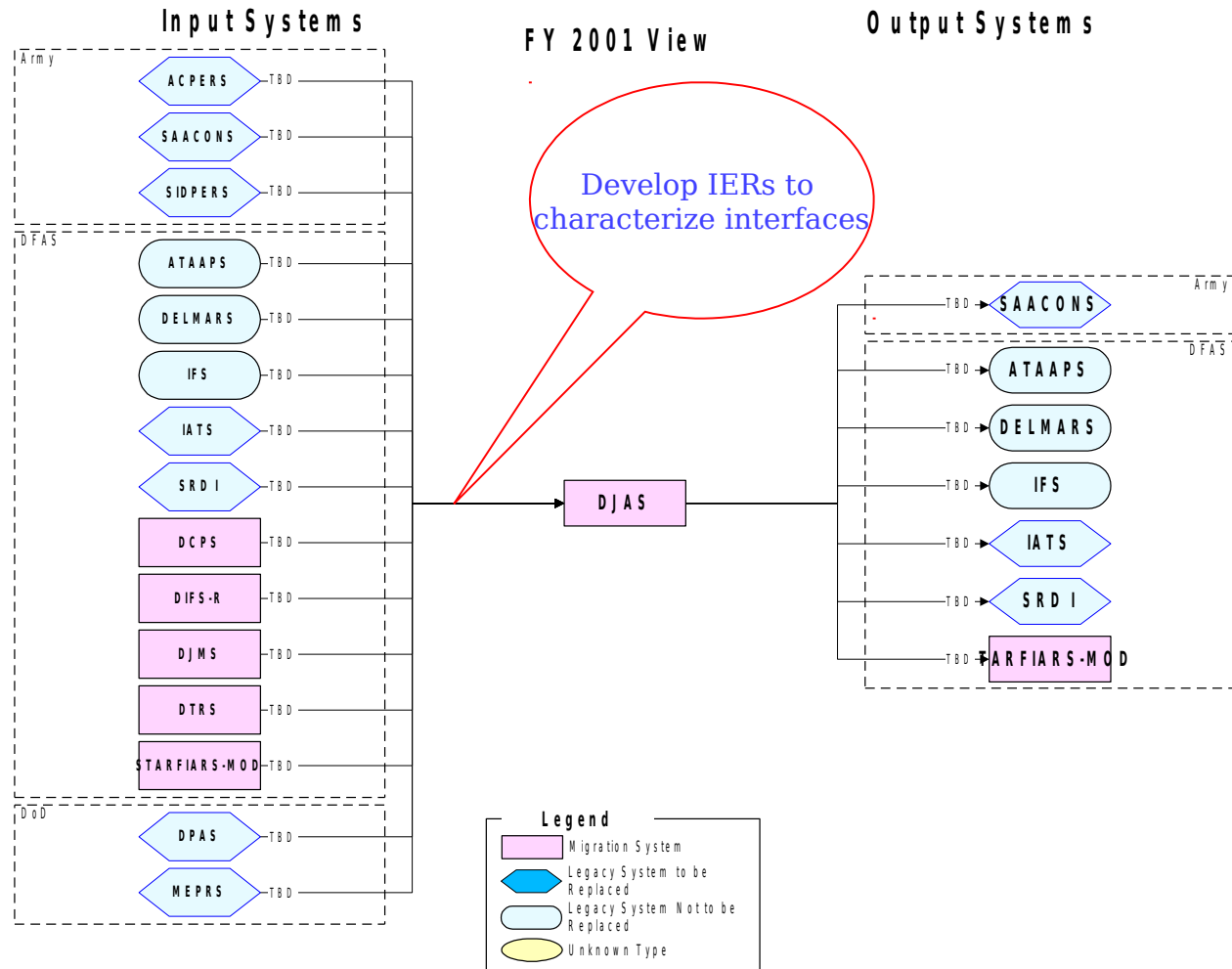
General Ledger
Financial Reporting
Property, Plant & Equipment
Inventory
Revenue, Accounts Receivable
Managerial Cost Accounting
Personnel/Payroll
Funds Control/Budgetary Accounting
Accounts Payable
Travel
Direct Loans
Guaranteed Loans
Grants
System Control & Audit Trails
Seized Assets

MIGRATORY SYSTEMS

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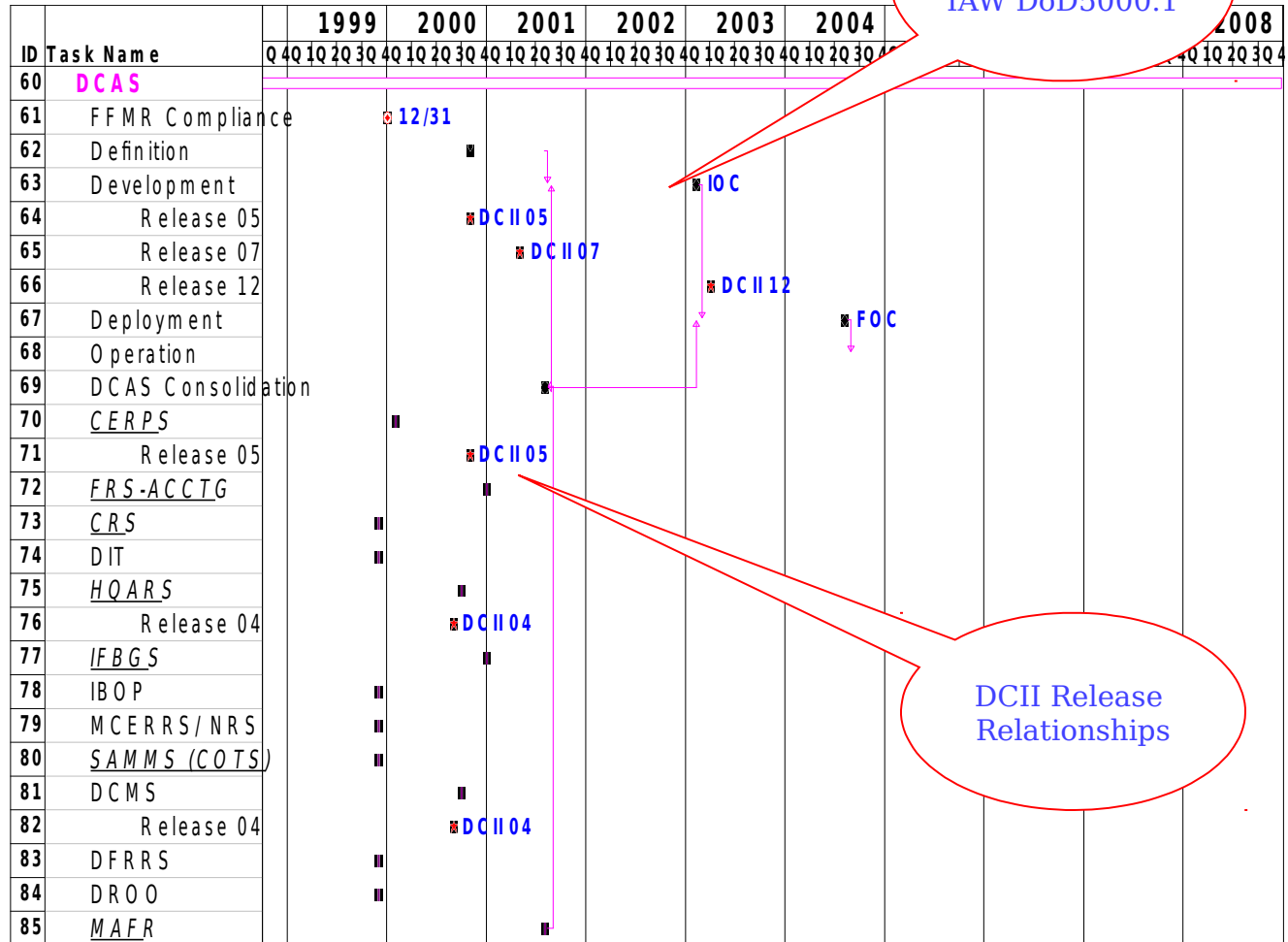
The SIIP's Focus -- Interface Definition

Integration of Migratory systems



The SIIP's Focus -- Implementation Schedules

Identification and scheduling



Legacy System Consolidation

Reengineering Activities
IAW DoD5000.1

DCII Release Relationships